



# **Sonoran Institute State of the Solar State**

Tuesday, March 22, 2011  
Gov. Jan Brewer

Good afternoon, everyone; I'm delighted to be with you.

First, let me thank the Sonoran Institute for the invitation to share some thoughts about the "state of the Solar State."

... "The Solar State."

That's a title Arizona has EARNED -- AND DESERVES!  
And, let me tell you why:

It's more than companies finding 320 days of sunshine a year ...

-- or finding a large skilled workforce,

-- or finding low payroll taxes,

-- or finding a strategic location from which they can reach the world.

It's much more than that.

Two years ago, I signed into law, legislation that gave Arizona a new resource to advance its solar platform.

It allowed us to reach into the area of renewable energy -- The Arizona Renewable Energy Tax Incentive Program.

The program is crafted to stimulate new investments in manufacturing and headquarter operations of renewable energy companies -- including solar, wind, geothermal, and other renewable technologies.

The formula is simple.

If you create quality jobs for Arizonans – the program offers two key benefits – a State income tax credit of up to 10 percent of the value of the investment.

And, if the capital investment is over \$25 million, then the renewable energy company is eligible for an approximate 75 percent reduction of the state property tax on both real and personal property for 10 to 15 years.

Four months after I signed that legislation, China-based Suntech Power Holdings, a multi-billion dollar corporation that makes photovoltaic solar cells and solar electric systems, announced it was locating in the Phoenix-metro area to create jobs for Arizonans.

Suntech was the first Chinese clean technology leader to bring manufacturing jobs to America.

In explaining why it chose the Metro Phoenix area, Suntech cited, “Arizona's leadership in research through Arizona State University, and statewide renewable energy policies, particularly its Renewable Energy Standard and distributed generation set-aside, as well as a supportive local business climate.”

Just last month, I signed into law one of the most significant pieces of economic recovery legislation in Arizona state history.

The Arizona Competitiveness Package is a mix of targeted business incentives and broad tax reforms designed to spur the state's economy.

It established the new Commerce Authority and one of its areas of concentration is renewable energy. This new focus will enhance economic development opportunities and encourage business relocation, incubation and development along with supply chain growth around renewable energy.

And it's already working -- in just the past few weeks, several companies have announced plans to headquarter or expand in Arizona.

One of these companies is Gestamp Solar Steel USA, announcing it will base its United States headquarters in Surprise, employing approximately 300 high-skilled workers at full build-out.

Gestamp Solar Steel was drawn to Arizona by our Renewable Energy Program -- our favorable business climate -- and the state's growing renewable energy market.

It will support the development of large-scale solar energy projects nationwide and the facility will be constructed on 27 acres of land in the *Skyway Business Park*.

And, just this past Thursday, I announced First Solar Manufacturing Company -- its headquarters located in Tempe -- will expand its presence in Arizona with a large technology campus in Mesa -- meaning an even more significant investment in Arizona.

The Arizona Competitiveness Package also changed the Energy Office, which was once housed within the Commerce Department, and is now an independent department in the Governor's office.

It's headed up by Leisa Brug, recently named as my Policy Adviser for Energy -- in addition to being the Director of the Energy Office. So, if you have any questions or concerns about energy policy in Arizona, if I'm not available, Leisa will be there for you.

This change allows me to focus more intently on statewide energy policy, including the need for more nuclear and renewable energy.

Through the new Governor's Energy Office, I am also leading efforts to ensure that Arizona's investment of \$132 million in energy funds reaps the benefits we expect and deserve.

Let me just list a few of them:

- \$2.5 million to 57 non-profit organizations to install solar systems at their facilities. A photovoltaic system was installed at the Southern Arizona Chapter of the American Red Cross in Tucson that provides 85 percent of their electricity. Making it the first solar-powered Red Cross facility in the country.

- \$7 million to 47 small school districts throughout Arizona.

These projects not only produce energy but also serve as "a learning tool" to educate our children on the benefits and science of solar power.

In many cases, these systems provide more than 50 percent of a school's electricity usage.

- \$6 million to 11 companies spanning the state -- two located in Flagstaff, two in Tucson, and companies in Scottsdale, Glendale, Chandler, Goodyear, Prescott Valley, Marana and Safford -- that will expand the market and increase renewable energy manufacturing in Arizona.

- \$1 million to 41 farms and ranches for solar-powered water pumping systems. These photovoltaic systems replace expensive gasoline and diesel-powered generators in remote areas of the state.

- And \$1 million to the State Land Department for a GIS system cataloging the features of state-owned land to provide critical information for renewable energy developers to make decisions on renewable energy projects in Arizona.

Let me close by saying, for the Solar State, this is only the beginning.

Having the sunshine and having the technology to harness it is only part of the story.

The rest of the story has yet to be written. But, I'm committed to seeing that it's written with Arizona as the Solar Capitol of the World.

We've earned that reputation by keeping regulation reasonable, by watching our tax structure, and by having an underlying system that functions well – one that is stable, predictable, and reliable.

Our immediate goal has got to be to take our natural assets and make even more of them by accelerating their development and production and use.

That's what makes this event and your presence here today so promising.

I thank you for your commitment to work with me to build a foundation for Arizona's second century.

And, I thank you for helping me build a stronger, more competitive, more aggressive Arizona – recognized globally as "The Solar Capital."

May God bless you and your families, and our Great State of Arizona.

And may God always bless and protect the United States of America.

Thank you.